

Rancho Bernardo

Public Facilities Financing Plan

Fiscal Year 2008



THE CITY OF SAN DIEGO

City Planning & Community Investment Department
Facilities Financing
July 2007

RESOLUTION NUMBER R- 302791


DATE OF FINAL PASSAGE JUL 16 2007

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN
DIEGO APPROVING THE RANCHO BERNARDO PUBLIC
FACILITIES FINANCING PLAN.

BE IT RESOLVED, by the Council of the City of San Diego, that it approves the
document titled, "Rancho Bernardo Public Facilities Financing Plan, Fiscal Year 2008," a copy
of which is on file in the office of the City Clerk as Document No. RR- 302791.

BE IT FURTHER RESOLVED, that this activity is not subject to CEQA pursuant to
State Guidelines Section 15060(c)(3).

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By 
Elizabeth C. Coleman
Deputy City Attorney

ECC:mmm
06/14/07
Or.Dept:Planning & Community Invest. Dept
R-2007-1244
MMS# 4978

I hereby certify that the foregoing Resolution was passed by the Council of the City of San
Diego, at this meeting of JUL 09 2007.

ELIZABETH S. MALAND
City Clerk

By 
Deputy City Clerk

Approved: 7.16.07
(date)


JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor

Mayor

Jerry Sanders

City Council

Scott Peters, Council President, Council District 1

Toni Atkins, Council District 3

Brian Maienschein, Council District 5

Jim Madaffer, District 7

Kevin Faulkner, Council District 2

Tony Young, Council President Pro Tem, Council District 4

Donna Frye, Council District 6

Ben Hueso, Council District 8

City Attorney

Michael Aguirre, City Attorney

Elizabeth Coleman, Deputy City Attorney

City Planning & Community Investment

William Anderson, FAICP, Director

Charlene M. Gabriel, Facilities Financing Manager

John Tracanna, Supervising Project Manager

Evelyn Lee, Project Manager

Leon McDonald, Principal Engineering Aide

M Elena Molina, Word Processing Operator

Rancho Bernardo Community Planning Group

Ellen Willis, Chair

Fred Gahm

Keith Mayes

Lee Okeson

Dick Walker

Joyce Traxler

Myrna Reese

John Woods

Robin Kaufman

Ed Kronenberger

Leatrice C. Segel

Richard House

Hydee Luthra

Sheryl Schane

Greg Aveni

Dick Katz

Teri Denlinger

Irving Sherman

Bill Renstrom

Joe Dirks

George Leitner

Marc Posthumus

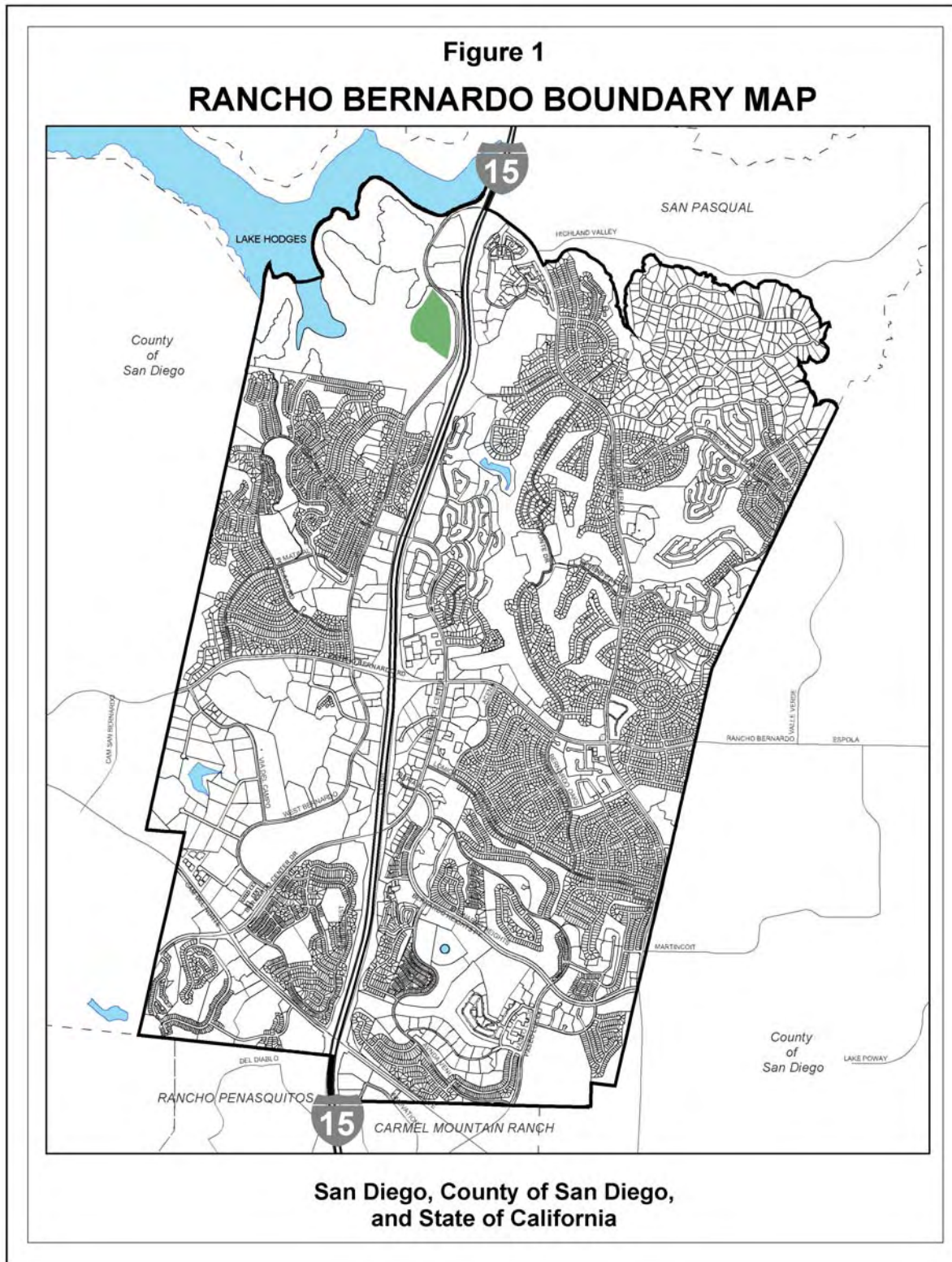
(This page is intentionally left blank.)

TABLE OF CONTENTS

RANCHO BERNARDO COMMUNITY BOUNDARY MAP (FIGURE 1)	1
RANCHO BERNARDO SUMMARY	3
GENERAL	3
DEVELOPMENT FORECAST AND ANALYSIS	3
PERIODIC REVISION	4
EXISTING PUBLIC FACILITIES & FUTURE NEEDS	4
TRANSPORTATION	4
PARK AND RECREATION	5
FIRE PROTECTION	6
LIBRARY	7
POLICE PROTECTION	7
SUMMARY OF PUBLIC FACILITIES NEEDS	7
RANCHO BERNARDO FACILITIES INDEX MAP (FIGURE 2)	8
RANCHO BERNARDO - PUBLIC FACILITIES FINANCING PLAN	9
FINANCING STRATEGY	9
GENERAL ASSUMPTIONS AND CONDITIONS	12
DEVELOPMENT IMPACT FEE DETERMINATION	14
BACKGROUND	14
DISTRIBUTION OF PROJECT COSTS AND FEE DETERMINATION	14
TRANSPORTATION	14
PARK AND RECREATION	15
LIBRARY	16
FIRE FACILITIES	16
SPECIAL FUNDS	17
SPECIAL PARK FEE FUND	17
DEVELOPMENT IMPACT FEE SCHEDULE	18
RANCHO BERNARDO FACILITIES SUMMARY (TABLE 1)	20
TRANSPORTATION	23
PARK AND RECREATION	45
LIBRARY	51
FIRE	53
APPENDIX A. UNIT PRICING LIST FOR TRANSPORTATION PROJECTS	A-1
APPENDIX B. FINAL 2030 CITIES/COUNTY TOTAL HOUSING UNITS FORECAST	B-1
APPENDIX C. FINAL 2030 CITIES/COUNTY TOTAL POPULATION FORECAST	C-1
APPENDIX D. COST ESTIMATE BREAKDOWN FOR PARK & RECREATION	D-1
APPENDIX E. RANCHO BERNARDO COMMUNITY PLANNING GROUP PRIORITY LIST	E-1

(This page is intentionally left blank.)

COMMUNITY BOUNDARY MAP (FIGURE 1)



(This page is intentionally left blank.)

Rancho Bernardo Summary

General

The PROGRESS GUIDE AND GENERAL PLAN for the City of San Diego recommends the division of the City into planning areas, which are designated as Urbanized, Planned Urbanizing and Future Urbanizing areas. Urbanized areas include the central portion of San Diego as well as the remaining older sections of the City. Planned Urbanizing areas consist of newly developing communities. Future Urbanizing areas include land, which is primarily undeveloped.

The Rancho Bernardo Community Planning area is an Planned Urbanizing area. This document sets forth the major public facilities needed in the areas of transportation (streets, storm drains, traffic signals, etc.), libraries, park and recreation facilities and fire stations. Other public needs such as police facilities, public work yards, landfills, etc. concern a broader area than the Rancho Bernardo community or even multiple communities.

This plan supersedes the Public Facilities Financing Plan approved June 1990 (R-276010). The facilities listed in this Financing Plan will be needed over the next approximately twenty-five years when full community development is anticipated. The Rancho Bernardo Public Facilities Financing Plan is a guide for future development within the community and serves to determine the public facility needs reflected in this document. The City Council has adopted a Development Impact Fee to help mitigate the cost of the public facilities necessitated by development in the community. Development Impact Fees for residential development was first adopted on August 4, 1987 by Resolution No. R-269019. Development Impact Fees for commercial/industrial development were adopted September 14, 1987 by Resolution No. R-269274. This document provides the basis for a revision of the impact fees for the Rancho Bernardo Community.

Development Forecast and Analysis

The Rancho Bernardo Community Plan is a comprehensive policy guide for the physical development of the community. The Rancho Bernardo Community is centered on Interstate 15 (I-15) just south of Lake Hodges and the San Pasqual Valley. The community area, according to the 2000 Census published by the U.S. Census Bureau and 2006 estimates based on San Diego County Assessor information, encompasses approximately 6,582 acres consisting of approximately 8,542 single family dwelling units and 9,191 multiple dwelling units, with a total population of 39,815. The community also has developed 478 acres of industrial land, 115 acres of office space and 100 acres of school area. Seven hundred forty-seven (747) acres are commercial/services development.

The Rancho Bernardo Community is developing in accordance with the Rancho Bernardo Community Plan, adopted in 1978 and most recently amended in 1997.

An analysis of present and projected development, and using the Rancho Bernardo Community Plan as a guide, indicates that, over the next 25-year period, approximately 156 additional residential dwelling units and 64 additional acres of nonresidential development will be constructed. This will result in a total number of 337,150 average daily trips (ADTs) at full community development.

Periodic Revision

To ensure that this program maintains its viability, this plan may be periodically revised to include, but not necessarily limited to City Council changes (amendments) to the Community Plan.

Existing Public Facilities & Future Needs

Transportation

Rancho Bernardo is served by a transportation network, which consists of automobile and public transportation systems, a bicycle system, and a pedestrian circulation system. Provision of adequate transportation facilities has been a continuing process of providing those facilities to support the rate of community development. Additional regional improvements and alternatives to transportation will be necessary to meet the needs of future development.

Transportation improvements in Rancho Bernardo are dictated by traffic volume, level-of-service and completion of street systems. Improvements will be funded through a combination of Development Impact Fees (DIF), grants, State Transportation Funds, subdivider and other funding sources yet to be determined. Additional details on transportation improvements are provided in Appendix A.

The most current information available from SANDAG's Traffic Model indicates that the average daily trips (ADTs) generated in the community in the Year 2000 was approximately 331,000, with an additional 6,150 ADTs projected by Year 2030. The total of 337,150 ADTs in Year 2030 is used in determining the transportation component of the DIF for Rancho Bernardo (please refer to page 14 for additional fee calculation information). The DIF fee collected generates only that portion of the total transportation costs from new development, approximately 2%, as no fees will be collected from existing development. New development that is consistent with the current land use designations in the community plan will not be required to contribute to the existing transportation system. Other funding sources will need to be identified for the remaining 98% of transportation needs.

Park and Recreation

The City's Progress Guide and General Plan recommend a minimum 2.8 acres of parkland for every 1,000 residents, consisting of neighborhood and community parks. For every 3,500 to 5,000 residents, a minimum 10.0 acre neighborhood park is recommended to be located within a ½ mile service radius; unless it is located adjacent to an elementary school where joint use is possible and anticipated, the acreage may be reduced to 5.0 acres. For every 18,000 to 25,000 residents, a minimum 20.0 acre community park and a recreation center is recommended to be located within a 1½ mile service radius; unless it is located adjacent to an elementary or middle school where joint use is anticipated and feasible, the acreage may be reduced by 5.0 acres or 7.0 acres, respectively. And, for every 50,000 residents, a community swimming pool is recommended within 1½ to 2 miles service radius.

The Rancho Bernardo Community identifies strongly with its natural and topographic environment. It is adjacent to the San Pasqual Valley and Lake Hodges on the north and is surrounded on the east, south and west by hills, ridges and canyons which successfully buffer the community from neighboring urban developments. The community has successfully taken advantage of the area's many assets through imaginative development concepts. Ridges, slopes and canyon lands provide many opportunities to relate development to the environment and to develop natural and manicured open space systems that link activity centers and create an atmosphere of serenity and quality to the community.

Approximately 508 acres are designated for open space. This open space system includes the undeveloped slopes, canyon bottoms and natural drainage areas within the community. Prominent examples are the slopes of Battle Mountain and the Montelena area in the northeastern portion of the community, the hills and canyons of the Westwood Valley area to the northwest and the hills, slopes and riparian areas in the Camino Bernardo portion to the southwest. In addition, large open space areas in the Bernardo Heights and High Country West areas in the southern portion of the community have been established through open space easements and are owned and maintained by private homeowner associations. All such natural and landscaped areas in the Rancho Bernardo Community should remain as open space.

Rancho Bernardo is unique in that the primary developer, (AVCO) in accordance with City Council Policy regarding parks within this community, accepted full responsibility for the provision of community recreational facilities (Neighborhood Parks) in accordance with the standards of the Progress Guide and General Plan.. To date, these facilities include an extensive inventory which exceeds what is normally provided in standard neighborhood parks.

Privately developed recreation centers have been established on approximately 54 acres throughout the community and are owned and maintained by the homeowners associations. The major community centers include the Westwood Club (12.8 acres), Seven Oaks (4.7 acres), Oaks North (6.5 acres), Rancho Bernardo Swim and Tennis (10.3 acres), High Country West (6.3 acres), Bernardo Heights Recreation Center (7.2 acres) and Camino Bernardo Recreation Center (1.5 acres). The Eastview Club (2.7 acres) and the Las Brisas Bernardo Club (1.7 acres) provide special recreation centers restricted to local residents.

Other private recreational facilities including swimming pools, tennis courts and play areas have been developed in multi-family residential projects throughout the community. These include privately developed recreational facilities at Lucido Park (4.8 acres) and an extension of the Bernardo Heights Recreation Center (2.9 acres). Both of these facilities are operated and maintained by the Community Association of Bernardo Heights and the use of these facilities is limited to members of the Community Association.

Four golf courses containing about 523 acres have been developed within the community. Two 18-hole courses are privately owned and maintained for the exclusive use of members. In addition, an 18-hole golf course and a 27-hole executive golf course have been developed and are open for public use.

Rancho Bernardo is also served by one 35.10 acre community park. This park is developed with eight ballfields, parking facilities, restrooms and landscaping. It includes tennis courts, lawn bowling greens, lighting and other park amenities.

The current Rancho Bernardo community population warrants approximately 115.53 population-based park acres based on the General Plan guidelines. Based on the SANDAG 2030 population forecast, a total of approximately 121.72 acres of population-based park land is recommended at full community development. The required park acreage at full community development is calculated as follows:

$$\begin{aligned} 17,889 \text{ units} \times 2.43 \text{ persons per household} &= 43,470 \\ 43,470 / 1,000 \times 2.8 &= 121.72 \text{ acres} \end{aligned}$$

It has been determined that one additional identified acre of park land will be used to meet the needs of future residents as identified in the adopted community plan. These proposed parks are further described in Table 1 and beginning on page 45.

Fire Protection

Fire protection for the Rancho Bernardo Community is provided by Station #33, built in 1970. The station is located at 16966 Bernardo Center Drive, San Diego.

Station 33 provides emergency and fire-rescue services, hazard prevention and safety education to the citizens of Rancho Bernardo in a territory covering 27.82

square miles, in one of the largest and busiest districts in all of San Diego. On average, the six members of Station #33 respond to over 350 calls a month for Ranch Bernardo and neighboring cities. All of which is accomplished from a 36 year old building designed for a crew of four that is in serious disrepair, overcrowded and creates hazardous traffic problems as vehicles move in and out of the station.

Library

Library services for the Rancho Bernardo Community are being provided by the 20,000 square foot Rancho Bernardo Branch Library. This San Diego City branch library is located at 17110 Bernardo Center Drive, San Diego.

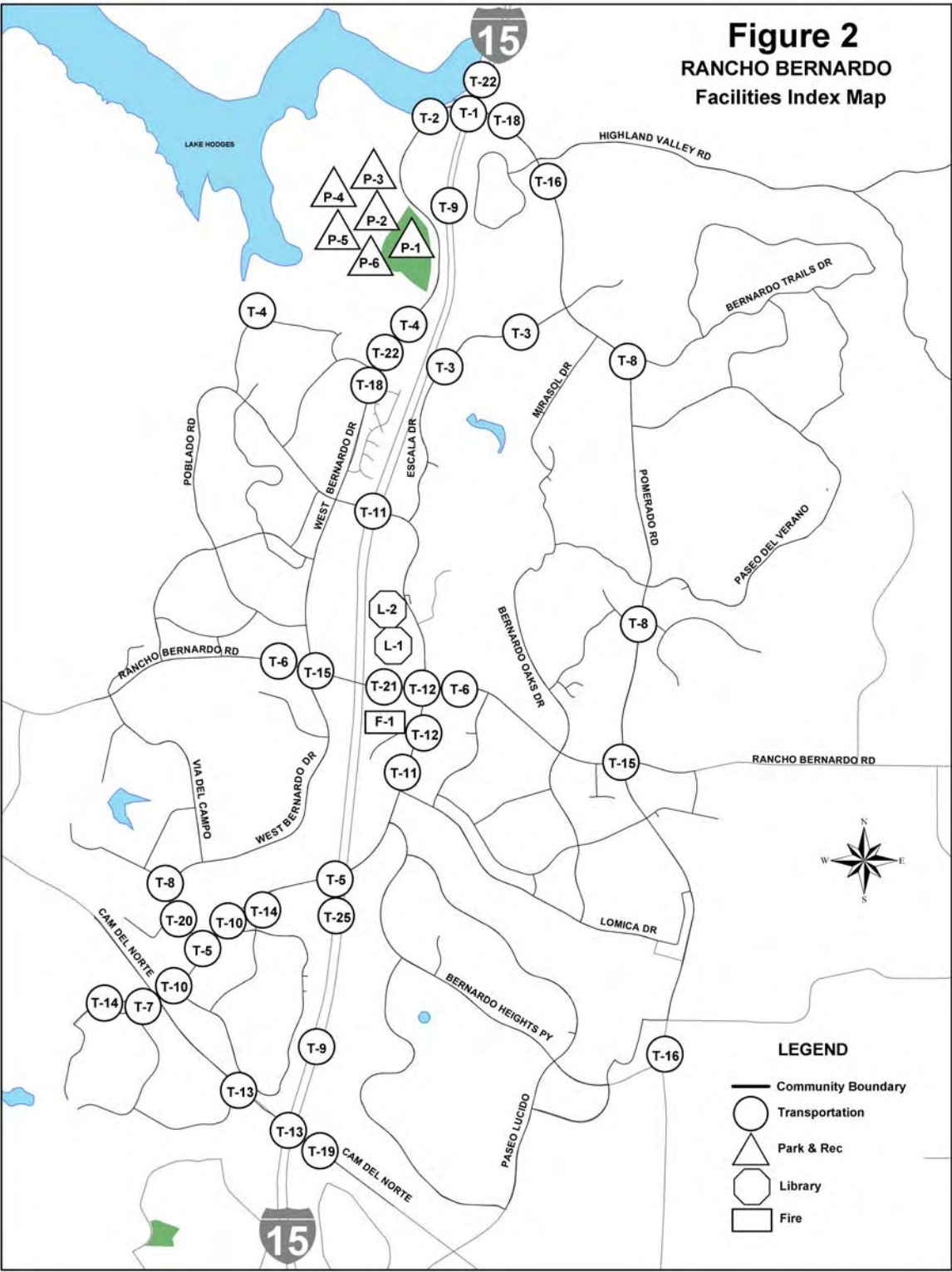
Police Protection

The San Diego Police Department's Northeastern Area Storefront, located at 17110 Bernardo Center Drive, 2nd Floor, San Diego, serves the Rancho Bernardo community.

Summary of Public Facilities Needs

The following Figure and Table summarizes the facility needs of the Rancho Bernardo Community. Figure 2 illustrates general locations for each of the listed projects. Table 1 reflects both long range needs and those needs reflected in the current Council adopted Capital Improvement Program (CIP). These projects are more fully described beginning on page 23.

The projects listed in Table 1 are subject to annual revision in conjunction with Council adoption of the annual Capital Improvement Program budget. Depending on priorities and availability of resources, substantial changes to these projects are possible from year to year.



Rancho Bernardo - Public Facilities Financing Plan

Financing Strategy

The City of San Diego has a variety of potential funding sources for financing public facilities. A portion of the funding for the needed facilities will be provided, as a part of the subdivision process by developers and by impact fees. Potential methods for financing public facilities are listed below:

- A. DEVELOPMENT IMPACT FEES (DIF)
- B. TRANSNET, GAS TAX
- C. ASSESSMENT DISTRICTS
- D. LANDSCAPING AND LIGHTING ACTS
- E. GENERAL OBLIGATION BOND ISSUES
- F. CERTIFICATES OF PARTICIPATION (COP)
- G. LEASE REVENUE BONDS
- H. BUSINESS LICENSE TAX REVENUE*
- I. CAPITAL OUTLAY (LEASE REVENUE)
- J. COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
- K. FRANCHISE FEE REVENUE*
- L. LOCAL TRANSPORTATION FUND
- M. MOTOR VEHICLE LICENSE FEE (MVLF) REVENUE*
- N. PARKING VIOLATION REVENUE*
- O. PARKING METER REVENUE*
- P. PARK SERVICE DISTRICT FEES (PSD)
- Q. PROPERTY TAX REVENUE*
- R. TRANSIENT OCCUPANCY TAX (TOT)*
- S. ANNUAL ALLOCATIONS
- T. PRIVATE CONTRIBUTIONS
- U. UTILITY USERS TAX
- V. SPECIAL TAXES FOR FIRE AND POLICE PROTECTION
- W. SPECIAL TAXES FOR PUBLIC LIBRARIES
- X. PARK AND PLAYGROUND ACT OF 1909
- Y. GRANTS

*These funds are currently allocated for general City operations, but may be used for capital improvements.

- A. DEVELOPMENT IMPACT FEES (DIF)** - Development Impact Fees are a method whereby the impact of new development upon the infrastructure is assessed, and, a fee system developed and imposed on developers to mitigate the impact of new development. DIF cannot be used for existing development's share. Impact fees are collected at the time of building permit issuance. Funds collected are deposited in a special interest bearing account and can only be used for identified facilities serving the community in

which they were collected. As sufficient funds are collected, the City proceeds with a construction program. Use of impact fees is one of the financing methods recommended for Rancho Bernardo.

- B. TRANSNET, GAS TAX,** and other programs such as a state-local partnership program may provide funds for community transportation projects. These funds will be allocated annually and may be used to fund a portion of the long-range capital need for future transportation improvements in Rancho Bernardo.
- C. ASSESSMENT DISTRICTS** - Special assessment financing, using 1913/1915 Assessment Acts or a Mello-Roos District could be used as a supplementary or alternative method of financing some facilities. A Mello-Roos District requires a 2/3 voter approval for passage. Other assessment districts generally require the support of the majority of the community. If an assessment is subject to Proposition 218, then it would require a 2/3 vote.
- D. LANDSCAPING AND LIGHTING ACTS** - Funds may be used for parks, recreation, open space, installation/construction of planting and landscaping, street lighting facilities, and maintenance. These ballot measures require a 2/3 voter approval for passage.
- E. GENERAL OBLIGATION BOND ISSUES** - Cities, counties and school districts may issue these bonds to finance land acquisition and capital improvements. The bonds are repaid with the revenues from increased property taxes. Bond issuance requires 2/3-voter approval for passage.
- F. CERTIFICATES OF PARTICIPATION (COP)** - These funds may only be used for land acquisition and capital improvements. City Council approval is required and a funding source for Debt Service must be identified.
- G. LEASE REVENUE BONDS** - These funds may be only used for capital improvements. City Council approval is required.
- H. BUSINESS LICENSE TAX REVENUE** - These funds are currently allocated for general City operations; but may be used for capital improvements. City Council approval is required.
- I. CAPITAL OUTLAY (LEASE REVENUE)** - These funds are to be used for capital improvements. City Council approval is required.

J. COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

This is a federal grant that is applied for annually. Applications are reviewed annually; City Council and the Department of Housing and Urban Development (HUD) approval are required.

K. FRANCHISE FEE REVENUE - The City collects franchise funds from San Diego Gas and Electric and cable companies for use of City right-of-way. These funds are currently allocated for general City operations; but may be used for capital improvements. City Council approval is required.

L. LOCAL TRANSPORTATION FUND - These funds are applied for and are used only for bikeway projects. City Council and federal approval are required.

M. MOTOR VEHICLE LICENSE FEE (MVLFF) REVENUE - The state allocates a portion of vehicle license fee revenue to local governments. These funds are currently allocated for general City operations; but may be used for capital projects. City Council approval is required.

N. PARKING VIOLATION REVENUE - These funds are currently allocated for general City operations; but may be used for capital improvements. City Council approval is required.

O. PARKING METER REVENUE - These funds are currently allocated for general City operations; but may be used for capital improvements. City Council approval is required.

P. PARK SERVICE DISTRICT FEE (PSD) - This fee is charged at the subdivision level and can only be used for parks and park improvements. City Council approval is required.

Q. PROPERTY TAX REVENUE - Property owners are taxed one percent of the assessed value of the property. The City receives approximately 17 percent of one percent back from the state. These funds are currently allocated for general City operations; but may be used for capital improvements. City Council approval is required.

R. TRANSIENT OCCUPANCY TAX (TOT) - The City's hotel tax is 10.5 percent and is currently allocated annually to eligible (tourist-related) organizations that request funding and to tourist-related City activities; but may be used for capital improvements. City Council approval is required.

S. ANNUAL ALLOCATIONS - In the years prior to the passage of Proposition 13, the City was able to respond to community facility needs by using a portion of sales tax revenue to support the Capital Improvements Program. This has been impossible for some time. However, if other revenues are increased, annual allocations could again be used to fund some capital facilities. This is a recommended method of funding some park and recreation facilities and transportation improvements. City Council approval is required.

T. PRIVATE CONTRIBUTIONS - Any private donations received by the City for capital improvements. City Council approval is required.

Potential methods for financing public facilities are described below:

U. UTILITY USERS TAX - These funds may be used for any general City operation or capital improvement. These require 2/3 voter approval for passage.

V. SPECIAL TAXES FOR FIRE AND POLICE PROTECTION
These funds may only be used for fire and police activities. These require 2/3 voter approval for passage.

W. SPECIAL TAXES FOR PUBLIC LIBRARIES - These funds may only be used for libraries and library improvements. These require 2/3 voter approval for passage.

X. PARK AND PLAYGROUND ACT OF 1909 - These funds may be used for parks, urban open-space land, playground, and library facilities. These require 2/3 voter approval for passage.

Y. GRANTS - Grants are available and applied for from the federal government, state and other agencies.

General Assumptions and Conditions

In connection with the application of the following methods of financing, these general assumptions and conditions apply:

1. Developers will be required to provide facilities normally provided within the subdivision process as a condition of subdivision approval, including but not limited to traffic signals.
2. Non-residential development will be charged for transportation and fire facilities through an impact fee approach, and may be assessed their pro rata share for park and recreation facilities and

libraries on a case by case basis as indicated by findings for these facilities.

3. The park and library fee distribution between residential and non-residential development will be reviewed each time findings are made to charge non-residential development for parks and libraries.
4. Abutting property owners are responsible for frontage improvements such as sidewalks, curbs and gutters.
5. The developer will pay the DEVELOPMENT IMPACT FEE at the time of building permit issuance.
6. DEVELOPMENT IMPACT FEE funds collected will be placed in a separate trust fund with interest earnings accumulated for use in the community planning area for identified facilities.

Development Impact Fee Determination

Background

In late 1987, staff developed and recommended impact fees for 28 urbanized communities. The City Council adopted the recommended fees, including those for the Rancho Bernardo Community planning area, to mitigate the impact of new development on public facilities. All undeveloped parcels are subject to development impact fees as are parcels which are permitted for intensified use. Monies collected are placed in City interest-accruing funds, to be used only for capital improvements serving the Rancho Bernardo Community.

The Rancho Bernardo Community Plan area is almost fully developed. Because of this, the fees will provide only a small portion of the financing needed for the facilities. Thus, the majority of the required public improvements will have to be provided through special funding mechanisms other than DIF.

Distribution of Project Costs and Fee Determination

Development of the actual DIF to be imposed is based on the extent or degree to which each type of development generates a demand for, or receives benefit from the various existing public facilities. For example, all development generates vehicular traffic and thus, on an equitable basis, should share in the cost of transportation projects.

Development Impact Fees were determined for the various categories of needed public facilities on the basis of total amount of development at community plan build-out and on the basis of additional public facilities needed at community plan build-out. The impact fee base includes all eligible project needs except those identified as SUBDIVIDER funded. The fees also include an 8% charge to cover City administrative costs.

Transportation

There is a clear relationship between the use of transportation facilities and the generation of vehicular trips based upon land use. In the report "San Diego Traffic Generators", authorized by CALTRANS and SANDAG, the traffic generated by various classes of use is detailed. This report summarizes data collected at major regional traffic generators as well as neighborhood and local traffic generators in the San Diego area. Traffic counts taken at each facility are related to various characteristics of the facility such as size, type of use, number of employees, floor area, parking spaces, or number of persons. For impact fee purposes, multi-family residential development is assumed for the Rancho Bernardo. The residential portion of the impact fee reflects an Average Daily Trip factor (ADT) of seven (7) as a basis for determining the impact fee. A considerable range has been found for traffic generation in non-residential

developments depending on the character and use of the property. For non-residential development in the Rancho Bernardo Community, average daily trips generated by specific types of nonresidential use are used.

Transportation projects are estimated after the scope of work is determined to be consistent with the Community Plan. The project improvements are laid out to design standards and material quantities are determined; for example the length of curbs and gutters, square footage of retaining walls and sidewalks, etc. Unit prices are then applied to the quantities, which are guided by the median prices received on current City of San Diego construction bid documents. Please refer to Appendix A for more detail. Additional costs are applied for contingencies (25%), mobilization (2%), engineering and administration (35-50%), right-of-way, bonds and environmental work.

Using the approved land use intensity and trip generation rates, the total number of trips at full community plan development is estimated to be 337,150. An analysis of the DIF eligible street improvements required for full community development (estimated costs in FY 2008 dollars) totals \$61,610,694. This cost divided by total trips of 337,150 results in an average daily trip for transportation facilities, including administrative costs of 8% totals \$197 per trip or \$1,379 per dwelling unit. The fee per dwelling unit is calculated using the average daily trip per unit of seven. These amounts will be paid by all future development.

Park and Recreation

Park and Recreation needs are based on population derived from the number of dwelling units in the community. The Park and Recreation Department has identified projects needed in the Rancho Bernardo Community using the SANDAG 2030 population forecast. These projects are shown in Table 1 and in detail beginning on page 45. Non-residential development projects may, with appropriate findings in the future, also participate in funding a pro rata share of park facilities. For this financing plan update, park estimates are based on approximately \$400,000 per acre for design and construction which is derived from recently received competitive bids for other typical population-based park development projects, \$4,000,000 per acre for land acquisition and associated costs, \$350 per square foot for a recreation center, and \$4,500,000 for a swimming pool complex.

Allocating the total park and recreation facility costs of \$12,374,486 to the residential development at the SANDAG 2030 forecast of 17,889 units, results in an impact fee, including 8% administrative costs, of \$747 per unit.

For future reference, according to the Rancho Bernardo Community Plan, Page 56, "School Sites";

Any public school site in Rancho Bernardo, not needed for a school should be considered first for a community park or recreation facility. School sites should

be considered for residential housing only if the City determines, after a public hearing, that a particular site is not currently needed and will not, in the foreseeable future, be needed for public use. Any residential use of a school property should be further conditioned upon a determination that adequate public facilities exist to serve the additional units proposed and that there would be no significant traffic impacts from the proposed development. A Planned Residential Development Permit should be obtained for any residential development proposed on a site currently designated for school use. Any use other than a school will require an amendment to the Community Plan.

Library

Library needs are based on population, which is derived from the number of dwelling units estimated at full community development. Therefore, only residential developments are charged development impact fee for libraries.

Library services will be provided by the existing 20,000 square foot Rancho Bernardo Branch Library located at 17110 Bernardo Center Drive. A 2,500 square foot expansion to the existing branch library is planned for the near future.

Allocating the total library costs only to residential property results in a library impact fee of \$579 per dwelling unit. This was calculated by dividing the total needed library facilities costs of \$9,592,463 by 17,889, the number of residential dwelling units at full community development, including 8% administrative costs.

Fire Facilities

The Fire Station portion of the impact fee relates to the cost of providing fire facilities to adequately provide fire protection services to both residential and non-residential development within the community. Residential impact fees are based on an average cost per dwelling unit. The average cost per 1,000 square feet of gross building area is used to determine fees for non-residential development.

The Fire Department has identified one fire station serving the Rancho Bernardo area which needs improvements to extend the useful life of the station. Using the total amount of development, both residential and non-residential (approximately 82,749,840 square feet), and the Rancho Bernardo cost of needed fire facilities \$955,000, the resulting impact fee is \$12 per residential dwelling unit and \$12 per thousand square feet of non-residential development. This was calculated by dividing total fire requirements for Rancho Bernardo of \$955,000 by 82,750, including 8% for administrative costs.

Special Funds

Special Park Fee Fund

A significant change in the financing strategy for Rancho Bernardo is taking place with this financing plan update. The financing and cash flow methodology for the Planned Urbanizing community of Rancho Bernardo is changing due to the elimination of the Rancho Bernardo Special Park Fee (SPF). Historically, the Rancho Bernardo DIF had been composed of transportation, fire and library projects. Park projects were funded primarily through the Special Park Fee. Therefore, when a residential project went forward the applicant paid a SPF for the park projects, and a DIF to fund all the other projects in the financing plan. The authority to collect the separate SPF is no longer in the Municipal Code, and therefore, all new park projects, or cost increases to existing park projects, will now be included in the DIF, to the extent applicable. Any new residential projects will now pay an all inclusive DIF, instead of a DIF and a separate SPF. The funds previously collected and currently in the SPF fund will continue to be used to fund future park projects.

Below is a summary of revenues collected and corresponding expenditures for parks.

SPECIAL PARK FEE FUND FOR RANCHO BERNARDO (39086)	
Park Fees Received To-Date (1/12/07)	\$3,072,980
Interest Earnings To-Date (1/12/07)	<u>\$1,238,347</u>
Total Revenue @ 1/12/07	\$4,311,327
<u>Previously Funded Projects:</u>	
Rancho Bernardo Community Park and Recreation Building	(\$1,736,236)
Rancho Bernardo Community Park Sports field Lighting	(\$188,150)
Rancho Bernardo Community Park	(\$2,019,782)
Rancho Bernardo Community Park Acquisition	(\$50,000)
Rancho Bernardo Community Park Children's Play area	<u>(\$123,105)</u>
Total Expenditures	\$4,117,273
Fund balance available for future projects	\$194,054

Development Impact Fee Schedule

The resulting impact fees for the Rancho Bernardo community planning area are as follows:

RESIDENTIAL PROPERTY					COMMERCIAL/INDUSTRIAL	
Transportation	Park & Rec	Library	Fire	Total per Residential Unit	Transportation	Fire
\$ Per Residential Unit					\$/Trip	\$/1,000 sq. ft. of Gross Building Area (GBA)
\$1,379	\$747	\$579	\$12	\$2,717	\$197	\$12